Two Mobsters Jailed

TWO of the four Capone gangsters scandalously released on parole are back in federal custody.

These two are Charles Gioe and Louis Campagna. They were picked up and charged with violating the conditions of their paroles.

A third, Paul Ricca, was arrested some weeks ago, but Judge Igoe, of the U. S. District court, released him on bond under a habeas corpus proceeding and set Sept. 20 as the day for hearing the charges against him. Similar proceedings by Campagna were instituted before Judge Barnes in the same court but he declined to interfere with the Parole Board's authority.

The fourth member of the quartet is seriously ill.

The men charged with violating their paroles ought not to have been paroled in the first instance. The gravity of their crime—a $1,000,000 extortion—and their bad records did not entitle them to be freed at the first moment legally possible, after serving only one third of their 10-year sentences. Men guilty of smaller offenses and with records much less sinister received no such consideration.

The return of these men to custody should not serve as an excuse for failing to pursue to the end the inquiry as to why they were released in the first place.

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CHICAGO DAILY NEWS

7-26-48

ENCLOSURE

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37 AUG 25 1948

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U.S. to Weigh Full Term for Mobsters

The federal parole board will hold secret hearings to determine whether Louis Campagna and Charles Gioe, Guzik-Ricca-Capone Syndicate must serve another six and a half years in prison.

Announcement of the star chamber sessions was made yesterday by Delzell B. McMurray, secretary to Dr. George S. Killinger, acting board chairman.

The men may have an attorney at the hearings, but the Hoffman congressional committee, which has been probing the mystery of how the pair had their paroles revoked, and the public will be excluded, McMurray said.

Hearings will be held in Atlanta federal prison at a date not yet determined, McMurray revealed. It was to this prison that Campagna and Gioe were hustled last Friday.

Prison hearings usually are conducted by one board member, McMurray said.

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Caponeite hearings to be set

Parole violation hearings against four of five former Capone associates, originally sentenced in a $1,000,000 movie extortion plot, waited Monday on the promised surrender of one member of the group.

He is John Roselli, whose lawyer informed Los Angeles police that his client was leaving that city and would give himself up to federal authorities in Chicago.

Stewart acts

Meanwhile, William Scott Stewart, attorney representing three of the defendants, dispatched a letter to the federal parole board setting forth 10 points which he said should be considered in the forthcoming hearings.

In addition to Roselli, those involved in the hearings, to be held at the federal penitentiary at Atlanta, Ga., are Louis (Little New York) Campagna, Paul (The Waiter) Ricca, and Charles (Cherry Nose) Gioe.

Campagna and Gioe have been returned to Atlanta for parole violation. Ricca is free in $10,000 bond, pending a habeas corpus hearing on the same charge before Judge Michael L. Igoe in U. S. District Court here.

Of the five originally sentenced, only Phil D'Andrea has no parole violation charge against him.

No date set

No specific date has been set for the hearing on revocation of the paroles, but it is expected to be set soon after Roselli gives himself up and the parole board has had opportunity to meet at Atlanta.

Stewart's letter to the board suggested such points as: all defendants should have benefit of counsel at all times, a privilege not always granted in such cases; specific charges should be given the defendants in advance of the hearings; counsel for the defendants should have the right to face and cross-examine all witnesses; defendants should have the right to produce their own witnesses.

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ATTORNEY ASKS 'JUSTICE' FOR CAMPAGNA, GIOE

Warns U.S. Parole Board Against Secrecy

BY JAMES DOHERTY

Rights such as are possessed and enjoyed by free Americans were demanded yesterday by Atty. William Scott Stewart for Louis Campagna and Charles Gioe, Capone gangsters whose extortion trial and paroles are under investigation by congress, the federal grand jury and courts. They were arrested last week as parole violaters.

Campagna, who owns two farms, operated a Cicero gambling joint for many years and piled up a fortune, and Gioe, night club and gambling house owner, are back in the Atlanta, Ga., federal penitentiary.

Tells What He Wants

Stewart wrote to the parole board which, after incessant demands by a congressional committee, revoked the paroles of Gioe, Campagna, Paul Ricca and Phil D'Andrea, who were freed in 3½ years, altho sentenced to 10 years for their crimes. The national parole board, which consists of three appointees of United States Atty. Gen. Tom C. Clark, must, under the law, give Gioe and Campagna hearings on whether they are parole violators.

Stewart wants the convicts to have a lawyer (himself) present at the hearing; a specification from the parole board now of what violations are charged against the gangsters; the opportunity of "confronting any witnesses who claim to know of any violation and to hear their testimony and to cross-examine;" the right to call witnesses in their own behalf, and to have a court reporter make a record of the testimony.

If the board intends to do as the congressmen have demanded—revoke the freedom of the gangsters on the ground they were improperly freed last Aug. 13—Stewart wants notice to that effect. He asked, also, for a copy of rules that are to govern the hearing.

Warning To Board

"If your board conducts a hearing without including the matters requested, it is our intention, in the event of an adverse decision, to complain to the courts of the denial of due process," Stewart warned the governmental agency which is now to decide whether Gioe and Campagna must serve 6½ additional years.

Government spokesmen said convicts have limited constitutional rights, and that there are no prescribed rules for hearings such as are to be accorded Campagna and Gioe. Usually one board member conducts the hearing—without any lawyers being present and with no witnesses being called on either side—and the other members read a transcript of the "hearing" after which a vote is taken on whether the convict is to be declared a violator.

Hearings Are Informal

To accommodate Stewart the board would have to adopt entirely new procedure, it was asserted. There is said to be no law or court decision to serve as a guide, and the precedent is that such hearings are informal and are based on such testimony as the board member wishes to hear and believe.

Stewart is seeking grounds for a court hearing after the prison action. At the United States courthouse yesterday it was said Stewart plans an appeal from the decision of Federal Judge John P. Barnes, who last week held that the arrest of Campagna was legal and proper.

Stewart also represents Ricca, for whom he obtained temporary freedom thru an order by Federal Judge Michael L. Igoe, and D'Andrea, whose arrest has not yet been ordered.

Roselli Surrenders

John Roselli, who was convicted with the four Chicago gangsters

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5th Hood Parolee Gives Up

John Rosselli, West Coast hoodlum paroled with four Chicago Capone mobsters, surrendered in Los Angeles, Calif., Tuesday to face charges of parole violation.

Federal Judge Paul J. McCormick ruled that Rosselli must remain in jail until a hearing Aug. 2 on a writ of habeas corpus filed by his attorneys.

Rosselli was convicted in New York in 1943 with Charles Gioe, Louis Campagna, Paul Ricca and Phil D'Andrea in a $1,000,000 movie extortion plot.

He was paroled Aug. 13, 1947, in Terre Haute, Ind., and appeared in Hollywood the next day.

Charge 'Politics'

Rosselli's attorneys described the parole violation charge as 'arbitrary, capricious and due to politics' in their petition.

The attorneys' denied that Rosselli has associated with 'unsavory characters' and said his behavior since parole has been exemplary.

Gioe and Campagna have already been returned to federal prison. Ricca is free pending a hearing here on a habeas corpus plea entered after his arrest last month.

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Guzik Syndicate Battles to Free West Coast Chief

The powerful, nation-wide Guzik-Ricca-Capone syndicate today launched a battle to keep out of prison one of its West Coast chiefs as plans were bared for a fight to release from Atlanta federal prison two paroled Chicago gang chiefs returned there for parole violations.

Following the pattern set here that stayed indefinitely the return of Paul (The Waiter) Ricca to Atlanta, attorneys for John Roselli, 41, paroled with Ricca and three other Chicago hoodlums last August, filed a petition in Los Angeles Federal court for a writ of habeas corpus.

ROSELLI HELD

Federal Judge Paul McCormick there set hearing on the petition for next Monday. But while Ricca was freed on bond by Federal Judge Igoe here, Judge McCormick ordered Roselli held in Los Angeles county jail pending his hearing.

Roselli was convicted with Ricca, Louis (Little New York) Campagna, Philip D'Andrea and Charles Gioe and sentenced to 10 years in federal prison in the Willie Bioff-George Browne $1,000,000 movie extortion case.

QUICK PAROLES

All were given "quickie" paroles last August after serving the minimum one-third of their sentences, under circumstances that have led to congressional and federal grand jury investigations.

When Ricca, first of the mob taken into custody on parole violation charges, was arrested a prepared-in-advance habeas corpus petition was filed in Federal court, and assigned to Judge Igoe.

IGOE HONORS WRIT

Over protests of U.S. District Attorney Otto Kerner Jr. that the federal court had no jurisdiction, Igoe honored the writ, and after preliminary hearings, freed Ricca under $10,000 bond pending further hearings in September.

Judge Mc Cormick, while granting a hearing on the habeas corpus petition, ordered Rosselli held in jail until next week.

Meanwhile, Attorney William Scott Stewart, who obtained Ricca's freedom, paved the way for the battle to free Campagna and Gioe, who were taken into custody and hustled to Atlanta before there was a chance for a writ.

He demanded in writing from the U.S. parole board at Washington an opportunity for attorneys to appear for Campagna and Gioe when they are given hearings by the parole board.

Stewart warned that if his demands are rejected, an appeal will be made to the courts. His move was cited as one to lay the groundwork for court action in an effort to force overruling of the parole board's orders revoking the hoodlums' paroles. Such a court order would free the convicts.

Only D'Andrea of the five paroled convicts has not been ordered rearrested. He is reported seriously ill, and has avoided his old pals and pursuits since his release, according to parole board agents.

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U.S. answers Ricca petition

In 13 pages the government gave its reasons for opposing the petition of Paul Ricca seeking to avoid a return to Leavenworth Penitentiary for a parole board hearing.

Asst. U.S. Dist. Atty. Peter Lulinski filed the brief with U.S. Dist. Judge Michael L. Igoe. Ricca was released on bond June 16 pending a hearing Sept. 20 on his petition.

Louis Campagna and Charles Gioe, who were convicted with Ricca in a $1,000,000 movie shakedown plot, have been returned to Atlanta Penitentiary for hearings on charges of parole violations.

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PAROLE PROBERS TRY TO UNWIND IDENTITY SNARL

Men with Same Names Complicate Case

BY JAMES DOHERTY

Two questions of identity were reported yesterday to be awaiting answers by the congressional committee investigating pay-offs for the Capone gang paroles which are now being revoked. The probers want to question Anthony D'Andrea and Ned Bakes, and there are two men with each name.

Representatives Hoffman (R., Mich.) and Busbey (R., Ill.) said they want to know which of the two Tony D'Andreas is the brother of Phil D'Andrea, ex-bodyguard for Al Capone and the only one of the notorious parolees whose arrest has not been ordered. Likewise, they want to know which of the two Ned Bakes is the political lieutenant of Peter Fosco, labor boss who, with one of the Tony D'Andreas, rules over many thousands of Italian-American laborers in Chicago and vicinity.

Unable To Serve Subpenas

Subpenas were issued for Ned Bakes, 1118 S. Ashland av., and Anthony D'Andrea, 814 W. Harrison st., to appear before the congressmen. Deputy United States marshals reported they have been unable to find either and, Busbey declared, the writs have been returned to the committee of which Hoffman is chairman.

The congressmen are still striving for the truth about who paid, and how much it cost Paul Ricca, reputed head of a national crime syndicate, Louis Campagna, Charles Gioe, and Phil D'Andrea to have their 10 year sentences for extortion cut to 3½ years.

"We will want Labor Leader D'Andrea and Political Leader Bakes to come before the committee in Washington," Busbey said. "But as yet we don't know which is which."

Not Phil's Brother, Ricca Says

Until Ricca testified before the committee two weeks ago saying he did not know who paid $15,000 to have an indictment against him and his fellow convicts dismissed, and didn't know who paid $50,000 to settle an income tax lien against him, the congressmen believed Tony D'Andrea, labor leader, was a brother of Phil. Ricca said he was not, but that Phil does have a brother named Tony.

The congressmen said they were of the opinion that Phil's brother used labor union power to help free Phil; therefore it was important to know which Tony joined in the parole endeavor. Fosco, who besides being Democratic committeeman of the 1st ward, president and business agent of local 2 of the sewer and tunnel workers union, and local representative here with D'Andrea of the hod carriers international union, is a close friend of Parolee Ricca, whose rearrest was ordered but whose habeas corpus hearing was continued until Sept. 20.

Bakes Ex-Deputy Sheriff

The Ned Bakes wanted as a witness before the committee is described as the one of that name who was a deputy sheriff, not the one who was sent to prison as a bootleg alcohol operator. Busbey said they want to establish which one operates handbooks on the west side and which one, if either, handled "payouts" for the paroles.

"New subpenas will be given the United States marshal when we decide which D'Andrea and which Bakes we want," Busbey said.

Investigation of some phases of the paroles given the gangsters last Aug. 13 is not concerned with the case of John Rosselli, of Los Angeles, freed with them, who was arrested Tuesday as a parole violator, it was said. When parole board members asked why the congressmen were not interested in Rosselli, they were told by Hoffman, it was recalled, that the people of Chicago objected to the return of Ricca, Gioe, D'Andrea and Campagna, but that no complaints came from Los Angeles concerning the return of Rosselli.

Dillon Shows Up Here

Another question had to do with the visit of Atty. Paul Dillon, St. Louis to the United States courthouse here yesterday. It was Dillon, a close personal friend of President Truman, who appeared before the parole board in behalf of Ricca, Campagna, Gioe and D'Andrea and obtained their release. Parole officials and government attorneys denied discussing the revocations with him or any other business.

Government attorneys yesterday filed a brief in federal District court asserting in Ricca's case that a man whose parole has been revoked has no right to a habeas corpus hearing until after a parole board has heard the matter in a federal penitentiary.

The 13 page brief, drawn up by Assistant United States Atty. John P. Lulinski, stated that parole, like probation, is a "matter of grace" and that the parolee is not entitled to a habeas corpus hearing.

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CHICAGO DAILY TRIBUNE
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RICCA FORTRESS ESTATE MANNED BY TOUGH CREW

Curiosity Is Dangerous at Gangster Retreat

(Picture on back page)

Long Beach, Ind., is a friendly resort, a neighborly town, except in the vicinity of bus stop 31, on the shore highway north of Michigan City, where half a dozen white, foliage inclosed homes nestle like the outposts they are around a fortress estate, ringed by high, chain link cyclone fences and watched by an alert force of chunky, swarthy, shrill voiced men and women.

Squatting within these defenses is the mystery house of Paul Ricca (also known as Salvi and DeLucia), reputed boss of a national crime syndicate and leader in million dollar conspiracies. In the midst of this swank and wealthy summer community, Ricca has established a miniature Sicilian colony at a cost estimated at $150,000, and has created for himself one of the most sumptuous summer homes of the area.

Other Characters Near

Ricca is not the only Chicago character in the neighborhood. Twenty miles to the south in Beverly Shores, Ind., are the summer homes of two more powerful and mysterious fellows—Pete Fosco, successor to the late Hinky Dink as Democratic committeeman for Chicago's 1st ward and one of two local Chicago bosses for 20 Italian-American labor unions, and Anthony D'Andrea, believed to be the brother of one of Ricca's closest henchmen, Phil D'Andrea, head of the Chicago local of the Hod Carrier's union.

All three were named in subpoenas in the congressional investigation which for the last 10 months has been seeking the payoff man in what is known as the million dollar federal parole case, but were not served.

Ricca, with Phil D'Andrea, Charles Gioe and Louis Campagna, was convicted in 1943 of a million dollar extortion from the movie industry. Sentenced to federal penitentiaries, all four were paroled last Aug. 13 after what congressional investigators declared was a "large cost payoff."

Two Pals Back in Prison

The same board that released the quartet moved suddenly to recall them to prison recently. Gioe and Campagna were seized and returned to the Atlanta penitentiary on July 24. Ricca escaped the same fate thru a writ of habeas corpus scheduled for hearing Sept. 20. Phil D'Andrea is reportedly seriously ill and was not recalled as a parole violator, the charge against the others.

In Long Beach, Ricca's heavily guarded house has been the subject of much curiosity since

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945, when a construction gang xcavated a huge half-sunken arage into the side of a low hill joining the main two story ouse. This garage is sufficiently large, according to neighors, to house at least 50 auto-

mobiles. It adjoins the living quarters, and is connected to the twisting nameless roadway that flows past the Ricca colony.

Ricca's hard surface tennis court, his oval, stone and concrete swimming pool, surrounded by clipped hedges and drooping shrubbery, are matched at the homes of other dwellers in the resort. Where most of the other beautiful estates are spaciously and openly laid out, Ricca's is huddled in heavy trees in such a fashion that it was difficult for Tribune photografers to get a good picture of it even from an airplane.

Photografer Threatened

"Move on, bud! You've no business here," half a dozen frozen faced men told a Tribune photografer who tried to snap pictures of the estate from the roadside. These guards came running from four surrounding houses—outside the high and heavy wire fence—when several women watchers detected him trying to sight thru the shrubbery at the main house.

Several automobile loads of goons trailed the photografer and an Indiana state highway policeman as they drove around the Ricca grounds looking for a place to use the camera.

Anthony D'Andrea's place in Beverly Shores is much less pretentious than Ricca's, but nevertheless is a large, two story brick dwelling with two adjoining guest houses, a wide and beautifully tended front lawn, and dark awnings at all the north windows upon which a gothic "D" is inscribed.

Anthony D'Andrea never has appeared before the congressional investigators but they were told that he was the "outside manipulator and negotiator" in arranging for the four paroles.

Pete Fosco's home is less than a city block from Anthony D'Andrea's place. It is a low, concrete building with red tiled roof and a small garden, also virtually engulfed in trees and shrubs. Altho marshals never found Fosco to serve the subpoena, Tribune Reporter James Doherty talked to him recently at his office, 33 N. La Salle st. Fosco said:

"Sure, Ricca is my good friend. His wife and my wife, and Mrs. D'Andrea get together a lot. But I've got nothing to say about the parole or the settlement of income taxes by those boys."

37 AUG 28 1948

'Camel' Ill From Exertion

Murray 'The Camel' Humphreys, a member of the Capone-Ricca hierarchy, has become seriously ill as a result of his activity in obtaining the federal parole of four syndicate henchmen.

Humphreys, 47, was sent to a Texas hospital a few months ago suffering from a nervous disorder.

His condition became so acute that it impaired his vision, the Daily News learned Monday. He returned home and is now compelled to remain in a dark room, and allowed only one hour each day in the sunlight.

Before the four Capone gangsters were released last August, Humphreys, once a rough-and-tumble fighter who now has the polished demeanor of a business man, made several contacts which were instrumental in getting the paroles, the Daily News was told.

Health Broke

He made frequent trips to lawyers and arranged to have the wishes of the mob bosses in federal prison carried out. The mission became so trying that Murray's health broke.

The parolees are Paul 'The Waiter' Ricca, Louis 'Little New York' Campagna, Phil D'Andrew and Charles 'Cherry Nose' Gioe.

All four were paroled after serving one-third of their 10-year sentences for conspiring to extort more than a million dollars from the movie industry.

Campagna and Gioe have been returned to the federal prison at Atlanta for violation of parole growing out of a federal investigation. Ricca is free on bail, pending a hearing on a writ of habeas corpus.

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CHICAGO DAILY NEWS

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37 AUG 25

RICCA MORTGAGE TURNS SCRUTINY ON GANG FUNDS

Probers Find Lien Filed July 2 on Estate

BY JAMES DOHERTY.

Gang finances again were under scrutiny yesterday, in connection with a congressional committee's investigation to determine why four members of the Capone crime and gambling syndicate received federal paroles; why two of them, Louis Campagna and Charles Gioe, since have been sent back to prison, and why two others, Paul Ricca, alias De Lucia, and Phil D'Andrea have not been sent back. A mortgage placed on the Long Beach, Ind., estate of Ricca, rated as top man of a national mafia, started this inquiry.

When the parole board in Washington issued a warrant for Ricca's rearrest June 15, United States Atty. Otto Kerner Jr. explained that one parole violation by Ricca concerned his failure to comply with a rule requiring monthly accounts of income and expenditure of all parolees. He said Ricca spent $16,000 on the wedding of his daughter and failed to mention it to the authorities.

Mortgage Filed July 2

The mortgage on the Ricca summer residence on the south shore of Lake Michigan was filed in the county recorder's office at La Porte, Ind., July 2, 1945. The mortgage was executed to Joseph J. Buiter, a Chicago lawyer, as "Cook county trustee" and was for an unrevealed amount.

The document said it was to secure payment of certain promissory notes signed by Nancy and Paul De Lucia (Ricca) payable to bearer. The record was notarized June 22 by Raffaele G. Salerno, who has real estate offices at 724 De Koven street.

There was a stipulation that the mortgage may be foreclosed immediately if the Riccas fail to keep $40,000 of insurance on the buildings or fail to pay the taxes. The property covers five lots and parts of two others in an expensive subdivision just east of Michigan City, Ind., and not far from the lake shore—said to be a most desirable site—and a magnificent residence surrounded by smaller homes for Ricca retainers.

Loan Arouses Interest

The fact that Ricca felt the need of borrowing money was considered of great interest by Rep. Hoffman (R., Mich.), chairman of the investigating committee, and Rep. Busbey (R., Ill.), Chicago member. The question was raised: "What of Ricca's income from the Chicago gambling privileges?"

It was recalled that Ricca on the witness stand told the congressmen his main business was gambling, and he identified himself with Jack Guzik, Hymie Levin, and others active in running the chain store handbooks that are now said to be operating full blast again in Chicago and Cook county. The congressmen were told that since the syndicate obtained control of the race news service once dominated by James Ragen, who was killed soon after he notified the authorities the Capone-Ricca-Guzik gang was going to liquidate him to acquire his business, the gangsters have a monopoly on handbooks here.

Farm Losses Told

Atty. William Scott Stewart, who obtained Ricca's release on bail after the parole revocation order was issued, advised the authorities that Ricca lost considerable money this year in the operation of his 1,200 acre farm near Lisbon, in Kendall county, Illinois.

Stewart's figures, as recalled yesterday, showed that Ricca spent $105,243 in the nine months after his parole Aug. 13, 1947. Of this sum, $86,842 was spent on the farm Ricca acquired in the palmy days when, according to evidence at his trial, he was sharing in the $1,800,000 extorted from motion picture producers.

Stewart said Ricca borrowed $11,000 in April and $10,000 in May—all of which went to rehabilitate the farm which, according to the statement, had been allowed to run down while Francis Curry, Joliet mystery character, was its tenant.

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Page 21** Wed., Aug. 4, 1948

CONCRETE MIX PROBE ASKED IN GANG PAROLES

Man Who Beat Union Ban Aided D'Andrea

BY JAMES DOHERTY

Congress and the federal grand jury here have been asked by Rep. Busbey (R.,Ill.) to determine if there is any connection between the delivery of ready mixed concrete in Chicago and the paroles given four notorious Capone gangsters, it was learned yesterday.

Busbey said he wants to know if John Tiberi, president of the Allied Concrete Supply company, 3727 S. Maplewood av., obtained any union benefits for writing a letter to the parole board in behalf of Phil D'Andrea, only one of the gangster parolees whose rearrest has not been ordered as a result of 10 months of investigation by a congressional committee of which Busbey is a member.

Seek To Link 2 D'Andreas

Busbey said the committee is still trying to establish the relationship, if any, of the parolee who was once Al Capone's bodyguard, and Anthony D'Andrea, president of the Construction and General Laborers' council.

Peter Fosco, Democratic boss of the 1st ward and head of a sewer and tunnel workers' union, who shares control with Anthony D'Andrea of many thousands of Italian-American laborers as representative of the Hod Carriers International union, also was named in a congressional subpena. Deputies of the office of United States Marshal Thomas P. O'Donovan, reported inability to find him either.

Union Ban In Effect 20 Years

"For the last twenty years ready mixed concrete has been used in every major city in the United States except Chicago," Busbey declared. "The unions would not permit contractors to use ready mix in Chicago.

"Our records show that John Tiberi, president of the Allied Construction & Supply company, addressed a letter to the United States parole board on May 28, 1947, recommending a parole for Philip D'Andrea.

"A few months later the unions withdrew their objections to Tiberi's firm using ready mixed concrete, and Tiberi formed a new company. Now his company and one other concern, the Imperial Flooring and Waterproofing company, have union permission to use concrete mix.

Hoisting Engineer Eliminated

"It is claimed that they are using a new process called air entraining cement. Consequently, I have been advised, it is not necessary to agitate the mixture while it is en route. So the requirement that a hoisting engineer be employed on all such trucks in Chicago was lifted.

"The permission from the union enabled Tiberi to start a new company in August, 1947, about the time Phil D'Andrea, Paul Ricca, Louis Campanga, and Charles Gioe received reductions of their 10 year prison sentences—reductions to 3 1/3 years."

The union officials and contractors will be given an opportunity to explain their agreement to the congressional committee in Washington within a few weeks, Busbey added.

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HOFFMAN HITS TRUMAN AID TO REDS, HOODLUMS

Charges White House Refuses Data

BY JAMES DOHERTY

Chicago's most notorious parolees and master criminals, Paul Ricca, Louis Campagna, Phil D'Andrea, and Charles Gioe, were compared yesterday with Communists and said to be equally as dangerous to the welfare of the nation. Rep. Hoffman (R., Mich.) accused President Truman of "covering up" for the criminals as well as shielding the Communists.

That the parolees—top ranking members of the Capone gang—shared the limelight with Communists in Washington was disclosed in a telephone conversation with the congressman, who is seeking evidence concerning the alleged "pay-off" for the release of the four Chicagoans. Hoffman, as chairman of a house investigating committee, said he still wants to question Peter Fosco, Democrat politician and labor boss, Anthony D'Andrea, union official, and Ned Bakes, "mystery man," all said to be friends of the gangsters sentenced to 10 years imprisonment but released in 3 1/2 years.

Hint Huge Deal For Votes

Hoffman and Rep. Busbey (R., Ill.), whose district is part of Chicago's southwest side, were probing a reported "deal" involving thousands of votes in Chicago which figured in arrangements for the Truman administration's granting of paroles.

Asked yesterday if he planned another hearing in Chicago soon, Hoffman said he would await possible action by the senate against President Truman for refusing the senate records wanted in the anti-Communist drive.

Hoffman said that Atty. Gen. Clark had refused data from which the committee might learn "what sums, if any, had been paid for granting of these paroles," and what political influence was exerted in order to free the four men.

Dismissal Linked To Clark

Hoffman recalled that Clark had dismissed an indictment against the four charging them with extorting $1,000,000 from union members. They had been convicted on an indictment which charged extortion of $1,000,000 from business men.

The second indictment was dismissed at the request of an attorney who was a boyhood friend of Clark, and paroles were granted at the request of a lawyer who was a long time friend of President Truman, according to Hoffman, who added:

"So it is that we find the President not only shielding Communists, but permitting known gangsters to hide behind an iron curtain thrown about them by White House orders.

Probers Overcome Obstacles

"Evidently the President has not divorced himself from the Pendergast machine. In spite of obstacles thrown in the comittee's way by the department of justice and federal bureau of investigation, two of the four parolees are back in the pen and the others, we hope, will soon be there."

Hoffman, Busbey, and other congressmen making the investigation of why and how Ricca and the other gangsters were set free sponsored a law which would compel the President to give the data they requested. It was known as house joint resolution 342, and it was passed in the lower house, but not acted upon in the senate.

Move To Force Data Fails

Had it been enacted, it would have deprived the President of the privilege of classifying material as "confidential" and then refusing to permit it to be given to congress, even on subpena. The law, sponsored by Hoffman, would have made congress the judge of what information should be designated as "confidential" and withheld from the public.

"We don't intend to be stopped by any Presidential edict," Hoffman declared. "We will continue our activities concerning the Chicago convicts. The fact that Campagna and Gioe have been sent back to prison is an accomplishment of congress. When the others are back, and when we know why they were released, our task will be finished, and not till then."

CHICAGO DAILY TRIBUNE
8-9-48

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58-2000-1851

BARE MYSTERY PLOT TO BLOCK PAROLE INQUIRY

BY JAMES DOHERTY

An unidentified influence was disclosed yesterday to be seeking to block continuation of the congressional inquiry into the reasons why four Chicago Capone gangsters were given federal paroles and who paid whom. That the effort centered on pressure applied to Rep. Busbey (R., Ill.), one of the chief figures in the investigation, was disclosed thru remarks of Rep. Vursell (R., Ill.) as published Friday in the Congressional Record.

Busbey, who represents a southwest side Chicago district, was lauded by his colleagues for his courageous role in the inquiry. Vursell, who lives in Salem and represents a downstate district, said: "Busbey is pitted against an insidious enemy at home—criminals engaged in guerilla warfare against the law abiding element."

Then it became known that Busbey was also fighting pressure.

Move To Protect "Higher Ups"?

According to congressional information, efforts at rescuing the gangsters, Paul Ricca, Louis Campagna, Phil D'Andrea and Charles Gioe, have been abandoned for the present, and the pressure is intended to protect politicians responsible for having set them free last Aug. 13. Campagna and Gioe are back in prison and their paroles are in the process of being revoked; Ricca faces return to prison as a parole violator on Sept. 20, and D'Andrea's future is being debated.

Prior to the revocation action, efforts to persuade Busbey to drop the inquiry "for his own good" were revealed by his colleagues. Since then, his fellow congressmen said, the "lobbying" has been in the interest of persons believed to have arranged the "parole plans" of the four who were sentenced to 10 years for a million dollar extortion but who were set free when they had served but one third of their terms.

Vursell Assails Parole Board

"It is unfortunate that a committee of congress has to take time away from legislative duties to correct the miscarriage of justice by the officials of the federal parole board," said Vursell, who for eight years had an executive position in the office of the attorney general of Illinois.

"Rep. Busbey had never been a law enforcing officer and he had no previous experience in battling criminals. In his first term in the house of representatives he used all his energy and intelligence in a great campaign against the enemies of his country engaged in subversive activities.

"The release of the gangsters in his home city was a challenge to him that he did not hesitate to answer. It is no secret to his colleagues that Rep. Busbey's service was given with a full knowledge of the risks he was taking. Fearlessly he pitted himself against a powerful criminal organization."

Rep. Hoffman (R., Mich.), chairman of the congressional investigating committee, was credited with Busbey for putting two of the gangsters back in prison. Both are expected to "keep it up," according to members of the Illinois delegation in congress.

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2d Guzik Mobster Trapped by Vag Law

Dominic DiBello, alias Bello, another reputed "tough man" of the Guzik-Ricca-Capone mob's North Side gang, was labeled as a common vagrant today.

DOMINIC DI BELLO
Labeled vagrant.

Wanted for questioning as one of the "Three Doms," North Side torpedoes for the gang, in the cool-blooded murder July 10 of Doward Falcon, Navy war veteran, Bello was booked for vagrancy and disorderly conduct at midnight last night following his surrender to Hudson av. police.

VAG LAW USED

It was the second time the little-used vagrancy law had been invoked to drive the mob out of Chicago--and apparently marked the beginning of the end for their long immune operations.

That's why Jake (Greasy Thumb) Guzik, his top lieutenants and advisors, called a hurried meeting in a downtown gymnasium yesterday to map plans for a last ditch fight.

AWAIT WITNESSES

Capt. Thomas Kelly of Hudson av. booked Bello on the vagrancy and disorderly conduct charges following a show-up last night at which two principal witnesses in the Falcon murder case were unavailable.

One witness, Gunnar Nelson, who has identified photographs of Bello as the man who warned Falcon in the Torch club, 900 N. State st., a short time before the murder, to "watch your step", is out of town but will be back tomorrow night.

Other witness, Mrs. Cora Duncan, of 1837 Lincoln av., neighbor of Falcon, in front of whose apartment he was slain, has a broken arm, but will view Bello soon, Kelly said.

Capt. Kelly said he will recommend to Police Commissioner Prendergast that the licenses of the Torch club, run by Eddie Sturck, ex-convict, and the Innuendo lounge, 1220 N. Clark St., owned by Bello, be revoked.

THE CHICAGO AMERICAN

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ENCLOSURE

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AUG 25 1948

'Vag' trial for pal of Nuccio

Charged with disorderly conduct and vagrancy, Dominic Brancato, 41, North Side gambling figure questioned in the murder of Doward Falcon, was granted a jury trial Tuesday.

The hearing was before Judge Mason S. Sullivan in Chicago av. court, and the complaining witness on both counts was Capt. Thomas A. Kelly.

Trial Aug. 10

Trial date was set for Aug. 10, and bond was fixed at $200 on the disorderly conduct charge and $100 on the vagrancy charge.

The vagrancy law, long on the state statute books but seldom invoked, is directed against persons charged with having no visible or lawful means of support. Brancato was given a six-month sentence under the "vag law" by Judge John H. Lyle in 1930.

The sentence was set aside on appeal, however, because of alleged irregularities in the conduct of the trial.

Sought in the slaying of Falcon on July 10, Brancato surrendered at the Hudson Ave. station Monday. He refused, however, to answer questions or take a lie detector test.

No link found

At a police showup, witnesses failed to link him with the murder.

Falcon, a former Navy man, was shot down by two men who lay in wait for him outside his home at 1837 Lincoln Ave.

Another gambling figure, Dominic DeBello, also was sought for questioning in the slaying, and police were informed he would surrender Wednesday.

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37 AUG 25 1948

Orders Vag Law Use Against Guzik Aids

Police Commissioner Prendergast today ordered all police captains to use the vagrancy law regularly as a weapon against the Guzik-Ricca-Capone mob.

Citing the case of Dominici Brancato, 42, of 2757 Pine Grove av., who was charged with vagrancy as well as disorderly conduct by Police Capt. Thomas Kelly of the Hudson av. district, Prendergast said other mobsters should have been held on the same charges whenever they were picked up.

WOULD SET TERMS

He said such characters as Paul Labriola, Martin (The Ox) Ochs, Murray (The Camel) Humphries and Matt Capone would have served jail sentences instead of being released for lack of evidence if they had been charged with vagrancy when they were arrested.

They have been charged only with disorderly conduct after frequent arrests.

Judge Sullivan continued the hearing of vagrancy and disorderly conduct charges against Brancato to Aug. 10 when the hoodlum, a lieutenant of Dominick (Libby) Nuccio, North Side gambling boss for the syndicate, demanded a jury trial.

Brancato surrendered Monday for questioning in the slaying of Doward Falcon, Navy veteran. Another Nuccio lieutenant, Dominic Di Bello, is expected to give himself up today.

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Identify Covelli as 'Finger Man'

Gerald Covelli, 26, of 958 N. Hamlin av., a Guzik-Ricca-Capone hoodlum, today had been identified in Criminal Court as the man who ordered the execution of two truck hijackers in a quarrel over division of the loot.

Jospeh Radek, 22, of 1532 W. 18th pl., one of the hijackers who is testifying for the state, said he and Edward Vlcek, 21, of 1432 W. 16th st., went to a garage at 51st st. and Ashland av. to collect their share of the loot.

There, he said, Covelli, and two other gang members, Leonard Vraniak, 25, of Lake Village, Ind., and Richard Galinski, 24, of 814 Noble st., drew revolvers and backed Radek and Vlcek against a wall.

Covelli and Galinski slugged Radek and Vlcek with blackjacks and Galinski took $700 from Radek's pocket, the witness declared, adding:

"Then Covelli told Galinski and Vraniak to put us in the back of his car and said: 'They know too much. Get rid of them.' After Galinski and Vraniak drove a while, I managed to open the door and roll out."

Covelli is being tried before Judge Ashcraft on a charge of receiving stolen property.

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CHICAGO SUNDAY TRIBUNE
Part 1 Page 6 July 25, 1948

CAMPAGNA, GIOE BACK IN PRISON; NEW PROBE ON

'Pay-Off Man' Hunted in Parole Scandal

BY JAMES DOHERTY

How and why four notorious Capone gangsters were given federal paroles still was considered an unsolved problem yesterday by a congressional committee as two of the gangsters were put back into cells at the Atlanta, Ga., prison. Rep. Clare E. Hoffman (R., Mich.) and Rep. Fred E. Busbey (R., Ill.) said the reimprisonment of Louis Campagna and Charles Gioe as parole violators stressed the failure of authorities to find the "pay-off man."

Gioe, who was seized in his Chicago apartment at daybreak Friday, was checked into the prison shortly after midnight. Campagna, who evaded arrest at his Michigan estate to gain a habeas corpus hearing in Chicago, was back in a cell at lunch time yesterday.

Many Things Unexplained

The two congressmen who led the fight to put the gangsters back in the penitentiary and get details of the "million dollar paroles," said the story is only half told. Hoffman, chairman of the house committee on expenditures, a subcommittee of which has been delving into the paroles for the last 11 months, and Busbey, who represents a Chicago district, said they wanted to know:

1. Why no parole violation warrant was issued for Phil D'Andrea who, with Paul Ricca, gang boss, went to prison with Campagna and Gioe in 1944 and was paroled with them last Aug. 13.

2. Why a parole violation warrant was issued for John Rosselli, west coast agent of the Capone gang convicted with the four Chicagoans on a charge of extorting more than a million dollars from motion picture producers, and paroled with them.

Seek Financial Sources

3. Who financed the paroles which came only after unidentified persons had paid $128,000 to settle income tax liens of $670,000 against Campagna and Ricca, and after a million dollar mail fraud indictment against all the gangsters was dismissed?

4. Who used the name of Mike Ryan in hiring Maury Hughes, close friend of United States Atty. Gen. Tom C. Clark, to have the indictment dismissed as a preliminary step towards their paroles?

5. What arrangement was made for a "vote delivery" as part payment for the release of the Chicago gangsters?

6. What government officials had advance knowledge of parole negotiations?

7. What explanation was made to high government officials concerning the release of the gangsters who belonged to a nationwide gang and had powerful political friends here and in other cities?

Wonder Who Interceded

The congressmen said the paroles were a gross miscarriage of justice. Hoffman said he would like to know who counseled the three members of the federal parole board regarding release of the four men.

Here is some history that bears on the case:

Al Capone, Brooklyn gunman, found a profitable field in Chicago when prohibition came in 1920. He started as a bodyguard for Big Jim Colosimo, a powerful 1st ward politician, brothel keeper and cafe owner who was killed a few years later.

Capone Branches Out

Capone soon opened a dive of his own, the notorious Four Deuces at 2222 Wabash av. Then, in collaboration with Johnnie Torrio, Capone started a bootleg gang.

Beer, booze, gambling, vice and other crimes made the gangsters rich, but one by one they went to prison for income tax cheating. Capone, the murderous boss, went to prison in 1931, convicted by Dwight H. Green, now governor of Illinois, and George E. Q. Johnson, later a federal judge.

Repeal, in 1934, ended the flow of gold to the Capone pirates who, after Capone went to jail, took orders from Frank (The Enforcer) Nitti. Nitti, in turn, was succeeded by Ricca, one of those involved in the parole scandal and who is still at liberty pending a court hearing Sept. 20.

Turn To Kidnapings

The Capone gang took a few flyers in kidnaping important persons when the liquor racket ended. Next they found it was easier and more profitable to take over unions. Many union officials were killed or cowed into submission.

George Browne was a small time union official who "managed" the stage hands union. After Browne met Willie Bioff, a pander who had worked for Phil D'Andrea, the pair "shook down" Chicago motion picture theater owners for six to eight sums on threats of strikes.

Nitti, who had set himself up as emperor of the underworld, soon learned of the theater extortions. Browne and Bioff were commanded into the presence of Nitti.

"From now on you bring me half of what you get," Nitti reportedly told them.

Seats Browne As Chief

Nitti soon decided to make Browne president of the International Alliance of Theatrical and Stage Employes. He let it be known that it would be unhealthy to elect anybody but Browne.

Browne was elected in 1934 and there followed a continuous flow of gold to Chicago headquarters. Bioff was designated as Browne's special representative in New York City. John Rosselli, whose parole is up for revocation, was designated to act for the gang at Hollywood. Nick Circella, alias Dean, collected cash in Chicago from the film theater industry.

Nitti's demands for more cash were so compelling that Browne, Bioff and Circella kept "biting" the film industry harder and oftener. Strikes were called, then settled for larger sums. Soon the extortionists had the motion picture executives doctoring their books to hide the blackmail.

Joseph Schenck, chairman of Twentieth Century-Fox, was sentenced to prison for his efforts to cover up huge payments to Bioff. Next, Nitti demanded and received two-thirds of all the money he knew that Browne, Bioff and Circella collected.

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CHICAGO DAILY TRIBUNE

Demands Cause Blowup

The blowup came when the picture magnates were told to dig up 2 million dollars for Nitti, Ricca, Campagna and the other Chicago gangsters. Twentieth Century-Fox, Loew's, Inc., Paramount, and Warner Brothers were "assessed" $550,000 for the immediate needs of Browne and Bioff.

One of the picture makers—whose name is still a secret—finally asked the federal government to intervene. After a few years' delay, in which there was a ruling that the anti-trust laws did not apply to labor unions, the government indicted the extortioners in New York City.

Browne, Bioff and Circella were convicted and received heavy sentences. Then Browne and Bioff, to save themselves, became government witnesses.

Nitti killed himself the day he was indicted, March 19, 1943. That made Ricca the headman. But he too, was indicted and eventually went to jail. Tony Accardo made frequent illegal visits to Ricca to get his orders.

Resisted Extradition

The Chicago mobsters resisted extradition to New York. They used all the money, political and union power at their command to avoid trial. On Dec. 22, 1943, they were found guilty of conspiracy to extort more than a million from the film people.

A second indictment charging them with stealing more than a million from the union—money raised by assessing members 2 per cent of their pay over a long period—remained on the court docket.

Atty. Boris Kostelantez, who had presented all the evidence, urged the court to impose maximum sentences.

Ask Court To Go Easy

Their own lawyers told the court that Ricca, Campagna, Gioe and D'Andrea were of such bad repute that no parole board would ever consider shortening their sentences. They asked the court to go easy.

Judge John Bright, who died early this year, said he knew of no better way to safeguard unions from future marauders than to impose heavy sentences.

"Ten years in prison," Judge Bright said in the cases of Ricca, Campagna, Gioe, D'Andrea, Rosselli, and Francis Maritote, alias Frank Diamond, brother-in-law of Capone and the one man of the gang who didn't get out on parole. They were locked up on Dec. 30, 1943, but did not get to the Atlanta penitentiary until April 7, 1944, due to appeals.

Sentences Upheld

The United States Circuit Court of Appeals affirmed the sentences and the United States Supreme court refused a review. Their only hope of getting out in less than 10 years, except for time off for good behavior, was in the President or the federal parole board.

Meanwhile, the treasury department began figuring how much Ricca and his pals owed in income taxes on the shakedowns. Prosecutors said they were able to account for $1,800,000 collected by Browne and Bioff, $1,200,000 of which went to the Nitti-Ricca combination.

Liens, which, with interest, amounted to $670,000, were pending against Ricca and Campagna when negotiations were underway for paroles for the mobsters in the spring of 1946. The government later waived the usual requirement that a person receiving parole make restitution to his victim but it was not probable that a parole board would dare free convicts who owed such a sum to the government as payment of tax on the proceeds of crime. So a "settlement" of the government's claims was made for $128,000. Lawyers had persuaded the treasury department to take less than the $670,000. The government marked the bill paid when on Nov. 1, 1946, Atty. Eugene Bernstein, of Chicago's 24th ward Democratic organization, gave checks for that amount to the collector at Chicago.

Indictment In Way

The gangsters could not apply for parole until they had served one-third of their sentences. The board said their eligibility date was July 7, 1947. But the mail fraud indictment was still on the court docket in New York City. The indictment was based on the mulcting of 46,000 union members.

This indictment was secretly dismissed on May 7, 1947, by permission of Atty. Gen. Clark, on motion of the government, and with the name of no attorney for the convicts being on record. Later it was admitted that Atty. Maury Hughes of Dallas, Tex., who grew up with Clark, received $15,000 for his part in having the indictment dismissed. He said the "pay-off gent" was a Chicago Italian who used the name of Mike Ryan.

No notice was given the public that the government contemplated granting the paroles. But the CHICAGO TRIBUNE exposed the release and told how it was effected. The Chicago Crime commission, Police Commissioner Prendergast and numerous other officials and agencies protested. The paroles were termed a scandal, an outrage and a national disgrace. Demand was made that the paroles be canceled.

Finds Clark Evasive

Rep. Busbey wrote to Clark, and asked if he had advance knowledge that the men were to be set free, and if he approved the paroles. Busbey said Clark was evasive.

The attorney general ignored his own part in making the paroles possible by authorizing the dismissal of the mail fraud indictment, Busbey added, and then sought to avoid responsibility by saying the parole board "is an autonomous body."

Busbey contends the parole board does not have autonomy. President Truman and Clark, by their refusal to co-operate with congress have convinced Hoffman and Busbey that they haven't got the answer yet to their original question, "Who is responsible?"

The fact that Atty. Paul Dillon of St. Louis, described as a welcome visitor at the White House, appeared before the parole board in behalf of the gangsters should have caused President Truman to order an open investigation, the congressmen contend.

The Hoffman committee held numerous hearings. It decided that the paroles should be revoked.

Last Wednesday the committee held a hearing in Chicago but subpenas for Peter Fosco, Ned Bakes and Tony D'Andrea to appear as witnesses were unserved. The United States marshal's office reported they were all out of town. Fosco is a Democratic committeeman in the 1st ward and a representative of the hod carriers' union. Bakes is a lieutenant of Fosco. Tony D'Andrea, a brother of Phil, is president of the Construction and General Workers District Council of Chicago.

Busbey said these three might have the answer to the question about whether a vote delivery figured in the parole negotiations.

"We'll have them in Washington soon," Hoffman said, "for testimony before the congressional committee."

CAMPAGNA, GIOE TO HAVE SECRET PRISON HEARING

Parole Board to Exclude House Probers

BY JAMES DOHERTY

Secret hearings will be held by the federal parole board to determine if Louis Campagna and Charles Gioe, Capone gang members and beneficiaries of parole which were terminated last Friday, must serve another 6 1/2 years in prison. This was disclosed yesterday by Delzell B. McMurray, secretary to Dr. George S. Killinger, who is acting chairman of the board. The public and the Hoffman congressional committee which has been investigating the mystery surrounding the paroles will be excluded, but the convicts may have an attorney present, McMurray said.

However, Rep. Fred E. Busbey (R., Ill.) before his departure for Washington yesterday, said he would recommend the committee chairman, Rep. Clare E. Hoffman (R., Mich.) send an observer to the hearings.

One Of High Command

Campagna, who served one prison term for bank robbery and was said by former Atty. Gen. Francis Biddle to be one of the high command of a national crime syndicate, had a habeas corpus hearing in Chicago before being taken to the Atlanta, Ga., prison. Gioe, a minor figure in the gang, was hustled from his Seneca hotel apartment to a train without benefit of court proceedings.

Both were named in parole violation warrants signed in Washington July 21. The specific charges against the gangster paroleés were not made public, nor were the reasons why the parole board issued a similar warrant for Paul Ricca, another of the Capone gang beneficiaries of paroles. Ricca, named as top boss of the crime syndicate, was said to have violated rules by not reporting expenditure of $16,000 on his daughter's wedding in the monthly report to the parole board.

McMurray said the hearings would be held in Atlanta prison but the date is not yet known. The regularly scheduled parole board meeting at that prison was scheduled for June but was deferred, probably in anticipation of the rearrest of the Chicago gangsters whose parole revocations were demanded by the Hoffman committee on the ground they had been obtained thru fraud.

One Member Holds Hearing

The secretary said one member usually conducts "hearings" in prison to determine if parole has been violated, and then, with the other members, makes a decision in Washington. The member to hear Campagna and Gioe has not been decided, he said.

The congressmen will resume their search for information concerning "a pay-off" for the paroles given the gangsters last Aug. 13, and expect to question Peter Fosco, Chicago politician and labor leader, Ned Bakes, Fosco's lieutenant, and Tony D'Andrea, labor leader and brother of Phil D'Andrea, another of the parolees, concerning the paroles, Busbey said.

In Los Angeles, city police and federal agents have been seeking John Roselli, Los Angeles agent of the gangsters, who was convicted with them and paroled with them, in order to arrest him as a parole violator.

Yesterday an attorney representing Roselli called Los Angeles police and said Roselli would come to Chicago and surrender to federal authorities. Police in Los Angeles were ordered to end their search and await a report from Chicago.

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Hunt Fourth Parole Breaker, Guzik Aid

(Continued from Page 1.)

association with persons of bad reputation."

The search for Roselli became known after Louis (Little New York) Campagna and Charles (Cherry Nose) Gioe were shipped back to the Atlanta federal prison yesterday for violation of their paroles. Both were in cells there and had been given prison numbers again today.

FBI agents disclosed that Roselli, former West Coast boss of the stagehands union and ex-husband of Actress June Lang, was missing from his usual haunts in Los Angeles and Palm Springs.

HIRED BY STUDIO

Capt. Thomas Connelly and Lt. William Drury, reporters for this newspaper, revealed last February in a news story that Roselli had been hired on a "temporary basis" by a studio in Hollywood as adviser for filming an untitled documentary gangster film.

FBI agents said they have been trailing the five paroled Guzik overlords ever since their quick release from Leavenworth penitentiary in August, 1947, and have amassed "infinite evidence" of parole violations against four of the ex-convicts.

The fourth gangster is Paul (The Waiter) Ricca, who is scheduled to appear for a hearing Sept. 10 before Federal Judge Igoe on a habeas corpus writ before he is ordered back to prison.

ONE STAYS FREE

Parole and FBI agents indicated the fifth parolee, Philip (Marini) D'Andrea, of 515 Beckwith st., Lincolnshire, will be permitted to remain free.

The federal agents reported D'Andrea, who has been seriously ill during and since his incarceration, abided by parole regulations.

FBI agents stressed that the other four paroled Guzik kingpins resumed illegal gambling and racket operations for Crime Unlimited shortly after leaving prison cells.

District Attorney Otto Kerner, Jr., aided by two assistants, Lawrence J. Miller and Edward J. Ryan, amassed the evidence.

The prosecutors have already quizzed 100 witnesses in a federal grand jury inquiry into the "easy" parole scandal.

Some of the testimony developed that Roselli had taken over liquor, gambling and racket control for the crime syndicate mob in Los Angeles once headed by the recently murdered "Bugsy" Siegel.

Revocation of Ricca's parole is based on a $16,000 champagne wedding party the gang overlord threw for his daughter last January in a loop hotel. He failed to inform the federal parole board of the source of the cash.

Campagna had resumed gambling control over the Northwest Side and other racket operations for the mob it was said.

In nabbing Gioe early yesterday at his near North Side hotel, parole agents made sure they didn't duplicate the blunder pulled off June 16, when Ricca was arrested and lodged for hours in County Jail.

WHISKED AWAY

They put him on a train for Atlanta before his mouthpiece could ask for a writ, as William Scott Stewart had done for Ricca when he obtained the hoodlum's freedom on a plea before Judge Igoe.

Stewart tried the same strategy yesterday for Campagna, but his writ was denied by Federal Judge Barnes, who refused to "intermeddle" with administrative procedures and ordered Campagna into custody of parole agents.

The hoodlum was handcuffed and trotted back to prison a few hours after Gioe.

Parole officials said they expected the hoodlums to file applications for a hearing by the parole board, challenging revocation of their parole.

PLAN FIGHT

The authorities, however, said they are prepared to resist the applications and assured the gang chiefs' return to prison cells, probably for six and two-thirds years, the unserved balance of their terms.

Action of the Federal Parole Board in revoking the paroles, came as a dramatic climax to a 10-month investigation by a congressional committee.

THE PATIO • THE FIX ROOM

Reject Surrender Deal in Murder

Offer of an attorney to surrender Dominic Bello, or Dibello, and Dominic Brancato, hunted by police for two weeks for questioning in the murder of Howard Falcon, 24, war veteran, met a cold response today from Capt. Thomas Kelly of Hudson av police.

Capt. Kelly, who said the lawyer who telephoned the offer refused to identify himself, declared:

"I told him we're not making any deals, and we don't

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